

## STATE OF SOUTH CAROLINA

## (Caption of Case)

JACABB Utilities, LLC Request for Modification of  
Rate Schedule to add Gross-Up Fees for  
Contributions in Aid of Construction (CIAC)

2017-381-A  
276021  
BEFORE THE  
PUBLIC SERVICE COMMISSION  
OF SOUTH CAROLINA

## COVER SHEET

## DOCKET

NUMBER: 2018 - - WS

(Please type or print)

Submitted by: Stephen R. Goldie

Address: 210 W. N. 2<sup>nd</sup> Street  
Seneca, SC 29678

SC Bar Number:

Telephone: 864-882-8194

Fax: 864-882-0851

Other:

Email: sheilat@goldieassociates.com

NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for use by the Public Service Commission of South Carolina for the purpose of docketing and must be filled out completely.

## DOCKETING INFORMATION (Check all that apply)

☐ Emergency Relief demanded in petition ☐ Request for item to be placed on Commission's Agenda expeditiously

☐ Other:

## INDUSTRY (Check one)

## NATURE OF ACTION (Check all that apply)

- ☐ Electric  
☐ Electric/Gas  
☐ Electric/Telecommunications  
☐ Electric/Water  
☐ Electric/Water/Telecom.  
☐ Electric/Water/Sewer  
☐ Gas  
☐ Railroad  
☒ Sewer  
☐ Telecommunications  
☐ Transportation  
☒ Water  
☐ Water/Sewer  
☐ Administrative Matter  
☐ Other:

- ☐ Affidavit  
☐ Agreement  
☐ Answer  
☐ Appellate Review  
☐ Application  
☐ Brief  
☐ Certificate  
☐ Comments  
☐ Complaint  
☐ Consent Order  
☐ Discovery  
☐ Exhibit  
☐ Expedited Consideration  
☐ Interconnection Agreement  
☐ Interconnection Amendment  
☐ Late-Filed Exhibit

- ☐ Letter  
☐ Memorandum  
☐ Motion  
☐ Objection  
☐ Petition  
☐ Petition for Reconsideration  
☐ Petition for Rulemaking  
☐ Petition for Rule to Show Cause  
☐ Petition to Intervene  
☐ Petition to Intervene Out of Time  
☐ Prefiled Testimony  
☐ Promotion  
☐ Proposed Order  
☐ Protest  
☐ Publisher's Affidavit  
☐ Report

- ☒ Request  
☐ Request for Certification  
☐ Request for Investigation  
☐ Resale Agreement  
☐ Resale Amendment  
☐ Reservation Letter  
☐ Response  
☐ Response to Discovery  
☐ Return to Petition  
☐ Stipulation  
☐ Subpoena  
☐ Tariff  
☐ Other:

RECEIVED

MAY 11 2018

PSC SC  
MAIL / DMS



May 7, 2018

**VIA - FIRST CLASS MAIL**

The Honorable Jocelyn D. Boyd  
Chief Clerk/Administrator  
Public Service Commission of South Carolina  
101 Executive Center Drive  
Columbia, SC 29210

**RE: JACABB Utilities, LLC Request for Modification of Rate Schedule to add Gross-Up Fees for Contributions in Aid of Construction (CIAC)**

Dear Ms. Boyd:

Enclosed for filing is the Request of JACABB Utilities, LLC in the above reference matter. I would appreciate your acknowledging receipt of this document by date-stamping the extra copy of this letter that is enclosed and returning it to me via first class mail.

By copy of this letter, I am serving the Office of Regulatory Staff and enclose a certificate to that effect. If you have any questions or need additional information, please do not hesitate to contact me.

Sincerely,

**JACABB Utilities, LLC**

A handwritten signature in blue ink, appearing to read 'S. Goldie'.

Stephen R. Goldie  
Managing Owner

Enclosure

cc: Office of Regulatory Staff

**BEFORE**  
**THE PUBLIC SERVICE COMMISSION OF**  
**SOUTH CAROLINA**  
**DOCKET NO. 2018-\_\_\_\_-WS**

IN RE:

JACABB Utilities, LLC Request for	)	
Modification of Rate Schedule to add	)	
Gross-Up Fees for Contributions in	)	<b>REQUEST</b>
Aid of Construction (CIAC)	)	
_____	)	

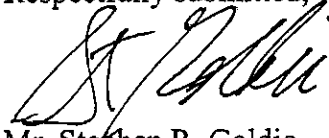
JACABB Utilities, LLC (“Applicant” or “Utility”) hereby requests to the South Carolina Public Service Commission for approval of a modification of its rates schedule to add Gross-Up Fee for Contributions in Aid of Construction (CIAC) pursuant to South Carolina Public Service Commission’s rules and regulations and S.C. Code Ann. § 58-5-240, 10 S.C. Code Regs 103-503 and S.C. Code Regs 103-703. In support of its request, Applicant provides the following information:

1. The Federal Tax Cut and Job Act, Public Law 115-97, effective December 22, 2017, changed the tax impact on CIAC in that CIAC will now be treated as ordinary income for tax purposes.
2. The Commission issued Order 2018-252 in Docket 2047-381-A on April 4, 2018 approving the request of Palmetto Utilities, Inc. and Palmetto Wastewater Reclamation, LLC “to include a tax multiplier provision to their approved rate schedules”. The amount of the tax multiplier approved in this Order is \$33.24 for every \$100 of CIAC.

3. The tax multiplier only affects those making the contributions in aid of construction and not on all other customers. The tax multiplier will be used to pay the income taxes on the income from the CIAC property and charges paid to a utility.
4. JACABB Utilities, LLC requests Commission approval of the tax multiplier, approved in Order 2018-252, to its existing rate structures for properties conveyed to the Utility as CIAC, sewer connection charges and plant impact fees.
5. S.C. Code Ann §58-5-240 (G) allows the Commission to be put into effect rates or tariffs without a hearing when such rates or tariffs do not require a determination of the entire rate structure and overall rate of return, or when the rates or tariffs do not result in any rate increase to the public utility. S.C. Code Ann §58-27-280 (F) provides a mechanism for implementing rate change that does not require a hearing. JACABB Utilities, LLC requests that no hearing in this matter be required.
6. Should this request be granted, since it does not affect any rates and charges to its existing customers, therefore JACABB Utilities, LLC also requests that any notices of filings be waived.

Wherefore, having fully set forth its request, JACABB Utilities, LLC requests that the Commission approve adding the tax multiplier of \$33.24 for every \$100 of CIAC to approved rate structures without a hearing, that any notices of filings be waived, and that JACABB Utilities, LLC be granted such other and further relief as the Commission may deem just and proper.

Respectfully submitted,



Mr. Stephen R. Goldie  
**JACABB Utilities, LLC**  
210 W. N. Second Street  
Seneca, SC 29678

This 7<sup>th</sup> day of May 2018  
Seneca, South Carolina

**BEFORE**  
**THE PUBLIC SERVICE COMMISSION OF**  
**SOUTH CAROLINA**

**DOCKET NO. 2018-\_\_\_\_-WS**

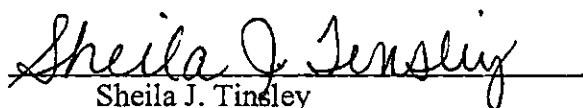
IN RE:

JACABB Utilities, LLC Request for  
Modification of Rate Schedule to add  
Gross-Up Fees for Contributions in  
Aid of Construction (CIAC)

**CERTIFICATE OF SERVICE**

This is to certify that I have caused to be served this day one (1) copy of the **Request** by placing same in the care and custody of the United States Postal Service with first class postage affixed thereto and addressed as follows:

**Office of Regulatory Staff**  
1401 Main Street, Suite 900  
Columbia, SC 29201

  
Sheila J. Tinsley

Seneca, South Carolina  
This 8<sup>th</sup> day of May 2018